GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4454
ANSWERED ON:19.05.2006
SIPHONING OFF OF FOREIGN LIQUOR
Yadav Shri Ram Kripal

Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that more than 40% foreign liquor imported into the country for duty-free shops is being siphoned off and sold in the grey market;

(b) if so, the amount of customs revenue lost due to this liquor rackets;

(c) whether there is any loophole in the systems to make customs officials easy to smuggle the excess bottles of liquor against the traveler; and

(d) if so, the action being taken to control this liquor racket?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) No case of siphoning off of foreign liquor imported for duty free shops and its sale in the grey market has come to the notice of the Government

(b) Nil in view of reply at (a).

(c) No, Sir. Adequate checks and balances are built into the system. Strict supervision is maintained and periodical inspections/stock verifications are carried out.
(d) Not applicable in view of reply at (a),(b) and (c) above.